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acceptance to be written, is a valid acceptance. *Farmers' & Merchants' Bank v. Dunbier*, 32 Neb. 487, 49 N. W. 376. An acceptance must now be in writing by the N. I. L., § 132, § 185. *Baltimore, etc., R. Co. v. First National Bank*, 102 Va. 753, 47 S. E. 837; 10 VA. LAW REG., 190 and note.

And the fine, but important, distinction between acceptance and certification must also be carefully noted. The latter releases the drawer and indorsers, while the former does not. *Milmo National Bank v. Cobbs*, 53 Tex. Civ. App. 1, 115 S. W. 345. The same distinction, which does not seem to have been considered by many of the courts, is noted in 2 DANIEL, NEGOTIABLE INSTRUMENTS, 6th ed., § 1601a, p. 1797. See also *First National Bank v. Leach*, 52 N. Y. 350, 11 Am. Rep. 708.

Although the point does not appear to have been decided in Virginia, it is to be hoped that when it does arise, the Virginia court will disregard the editorial opinion expressed in 10 VA. LAW REG. 193, and adopt the view which is in accord with reason and authority, that acceptance by telegram is valid under N. I. L. § 132, which provides that "the acceptance (of a bill) must be in writing and signed by the drawee".

CONSTITUTIONAL LAW—INSTRUMENTALITIES OF NATIONAL GOVERNMENT FREE FROM STATE CONTROL—STATE LICENSE NOT REQUIRED OF DRIVER OF MAIL TRUCK.—The plaintiff in error, an employee of the Post Office Department of the United States, was arrested by State officials for driving a government motor truck in the transportation of mail over a post road in the State of Maryland without having obtained a license from the State, as provided by State law. In the State court, he was tried, convicted and fined. Held, judgment reversed. *Johnson v. State of Maryland*, 41 Sup. Ct. 16.

Property belonging to the United States is not taxable by the States. *Van Brocklin v. Tennessee*, 117 U. S. 151; *People v. U. S.*, 93 Ill. 30. This doctrine includes taxation by the State and also by any of its administrative subdivisions. *Wisconsin Central R. Co. v. Price County*, 133 U. S. 496.

Moreover, where the United States sells land to private persons, but retains the legal title to secure the payment of the purchase price, or the cost of surveying, a State cannot tax such land as long as the lien remains unsatisfied. *Northern Pacific R. Co. v. Traill County*, 115 U. S. 600; *Copp v. State*, 69 W. Va. 439, 71 S. E. 580, 35 L. R. A. (N. S.) 669. On the other hand, the federal government cannot impose a tax on property owned by the State, the revenue of which is applied to the support of the State government. *State v. Atkins*, 35 Ga. 315.

The States cannot tax either the lands allotted to the Indians under the Act of 1887 and the permanent improvements thereon or the personal property furnished by the United States and used by the Indians on the allotted lands. *United States v. Rickert*, 188 U. S. 432. But an Indian post trader, who is licensed by the government to trade with the Indians, is a mere licensee, and not an agent of the government, and his stock in trade is not exempt from State and county taxation. *Cosier v. McMillan*, 22 Mont. 484, 56 Pac. 965; *Moore v. Beason*, 7 Wyo.

292, 51 Pac. 875; *Noble v. Amoretti*, 11 Wyo. 230, 71 Pac. 879. See also *Thomas v. Gay*, 169 U. S. 264; *Wagoner v. Evans*, 170 U. S. 588.

Securities of the United States may not be taxed by the States. *Weston v. City of Charleston*, 2 Pet. 449; *The Banks v. The Mayor*, 7 Wall. 16; *Bank v. Supervisors*, 7 Wall. 26. Correlatively, the United States cannot tax bonds issued by a State or one of its municipal bodies. *U. S. v. Baltimore, etc., R. Co.*, 17 Wall. 322; *Mercantile National Bank v. New York*, 121 U. S. 138, *dictum*. However, a legacy of United States bonds is not exempt from a State inheritance tax. *Plummer v. Coler*, 178 U. S. 115.

Incomes derived from the interest on federal securities are exempt from State taxation. *Bank of Kentucky v. Commonwealth*, 9 Bush (Ky.) 46; *Mosely v. State*, 115 Tenn. 52, 86 S. W. 714; *Opinion of Justices*, 53 N. H. 634. On the other hand, a federal tax cannot be imposed on the income derived from the bonds issued by a State or one of its municipalities. *Pollock v. Farmers' Loan & Trust Co.*, 157 U. S. 429.

The salary of a federal official may not be taxed by the States. *Dobbins v. Eric County*, 16 Pet. 435; *Purnell v. Page*, 133 N. C. 125, 45 S. E. 534. Nor may the federal government levy an income tax upon the salary of a State official. *Collector v. Day*, 11 Wall. 113.

Franchises granted by Congress cannot, without its consent, be taxed by the States. *California v. Central Pac. R. Co.*, 127 U. S. 1, 41; *Central Pac. R. Co. v. California*, 162 U. S. 91, 125; *Western Union Tel. Co. v. Visalia*, 149 Cal. 744, 87 Pac. 1023. A city may regulate the manner in which a telegraph company, operating under a federal franchise, shall conduct its business within the city limits, but the city cannot grant an independent franchise so as to subject the company to taxation. *Western Union Tel. Co. v. Lakin*, 53 Wash. 326, 101 Pac. 1094, 17 Ann. Cas. 718.

That a State may not, in the exercise of its reserved powers, interfere with a federal governmental agency was settled once and for all in the famous case of *McCulloch v. Maryland*, 4 Wheat. 316, where the federal agency, whose activity the State had attempted to interfere with by taxation, was an agency neither essential to the National Government nor expressly provided for by the Constitution. The power to establish a National Bank was an implied power. *A fortiori*, for the States to attempt to interfere with a necessary agency of the federal government, such as the postal service, which is expressly provided for in the Constitution, would seem to be objectionable and unconstitutional.

CORPORATIONS—SUBSCRIPTIONS TO STOCK INDUCED BY FRAUD.—The defendant was induced to subscribe to stock in a corporation by the false and fraudulent representations of the corporation's agent. Upon learning of the fraud, the defendant repudiated his subscription and sought to rescind. There were no equities of subsequent creditors to be considered, nor were there other subscriptions made on the faith of the defendant's subscription. The corporation becoming insolvent, a receiver was appointed and this suit was brought to recover an assess-